Honolulu, Hawaii Rhwy 14, 2014

RE: H.B. No. 2497 H.D. 1

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2497 entitled:

"A BILL FOR AN ACT RELATING TO LIABILITY,"

begs leave to report as follows:

The purpose of this measure is to eliminate corporate successor liability under specified conditions.

Retail Merchants of Hawaii provided testimony in support of this measure. The Hawaii Association for Justice provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Specifying that successor corporations shall remain liable for liabilities arising from a tort action; and
- (2) Changing its effective date to July 1, 2112, for the purpose of facilitating further discussion.

Your Committee respectfully requests that your Committee on Judiciary examine whether the amendments made to this measure will create large loopholes in the elimination of corporate successor liability.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2497, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2497, H.D. 1, and be referred to the Committee on Judiciary.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

MGUS L.K. McKELVEY, Chair

State of Hawaii House of Representatives The Twenty-seventh Legislature

HSCR 491-14

Record of Votes of the Committee on Consumer Protection and Commerce

Bill/Resolution No.:	Committee Referral:	Date	_	
HB 2497	<u>(42, JUI)</u>	0.	2/12/14	
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. McKELVEY, Angus L.K. (C)	. /			
2. KAWAKAMI, Derek S.K. (VC)				
3. BELATTI, Della Au				
4. BROWER, Tom				
5. CACHOLA, Romy M.				
6. CREAGAN, Richard				
7. EVANS, Cindy				
8. HAR, Sharon E.				
9. ITO, Ken				
10. LEE, Chris				
11. NAKASHIMA, Mark M.				
12. OSHIRO, Marcus R.				
13. TSUJI, Clift				
14. YAMANE, Ryan I.				
15. MCDERMOTT, Bob				
16. THIELEN, Cynthia				
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TOTAL (16)	13			3
The recommendation is: Adopted				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				